

**EIGHTY-EIGHTH GENERAL ASSEMBLY
2020 REGULAR SESSION
DAILY
HOUSE CLIP SHEET**

January 27, 2020

Clip Sheet Summary

Displays all amendments, fiscal notes, and conference committee reports for previous day.

Bill	Amendment	Action	Sponsor
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No amendments filed on January 27, 2020

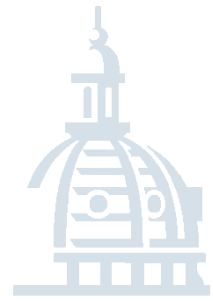
Fiscal Notes

[SF 389](#) — [Motor Vehicles, Use of Left Lane](#) (LSB1079XS.1)

[HF 2005](#) — [Fire, EMS, Reserve Officer Tax Credit Increas](#) (LSB5050YH)

Fiscal Note

Fiscal Services Division



SF 389 – Motor Vehicles, Use of Left Lane (LSB1079XS)

Analyst: Adam Broich (515.281.8223) adam.broich@legis.iowa.gov

Fiscal Note Version – Revised

Description

Senate File 389 requires a person operating a vehicle in the left-most lane of the roadway to make a lane change to the immediate right if the person knows or should know that a car will overtake the person's vehicle. Exemptions apply to road construction workers or emergency personnel in the course of duties, when traffic conditions prevent a lane change, when there is a legally established obstruction such as a traffic-control device, and when exiting on the left of the roadway.

Background

In FY 2018, there were 25 violations for passing on the wrong side under Iowa Code section [321.299](#)(1) and 37 violations for failing to yield to a passing vehicle under Iowa Code section [321.299](#)(2). The scheduled fine for both of these violations is \$100.

A criminal penalty surcharge is applied to the scheduled fine. Ninety-five percent of the surcharge goes to the State. Of the State's share, 83.0% goes to the General Fund and 17.0% to the Victim Compensation Fund. The remaining 5.0% of the surcharge goes to the city or county where the infraction occurred.

Single Citation – 321.299		
Penalty	\$	100
Surcharge (35.0%)		35
Court Cost		60
Total	\$	195

Assumptions

- Citations will increase under **SF 389** due to the creation of a new violation. This Fiscal Note provides examples for 162, 312, and 562 convictions under Iowa Code section [321.299](#).
- The estimated collection rate for fines for violations is 63.8%.

Fiscal Impact

The quantity of increased convictions for violations of Iowa Code section [321.299](#) due to this Bill cannot be estimated. However, **Table 1** provides three examples of possible increases in fine revenue. The table includes estimated increases in fine revenue for an additional 100, 250, and 500 convictions. The estimates range from increases of approximately \$12,500, based on an increase of 100 convictions, to \$62,400, based on an increase of 500 convictions.

Table 1 – Range of Annual Estimated Fine Revenue Under SF 389

	<u>Current Law*</u>	<u>Potential Increase in Convictions</u>		
	<u>Est. FY 2019</u>	<u>+100 Convictions</u>	<u>+250 Convictions</u>	<u>+500 Convictions</u>
General Fund				
Penalty Revenue	\$ 4,000	\$ 6,000	\$ 16,000	\$ 32,000
Surcharge Revenue	1,000	2,000	4,000	9,000
Court Costs	2,000	4,000	10,000	19,000
Subtotal	<u>\$ 7,000</u>	<u>\$ 12,000</u>	<u>\$ 30,000</u>	<u>\$ 60,000</u>
Other				
Victim Comp. Fund	\$ 200	\$ 400	\$ 900	\$ 1,800
Local Jurisdiction	100	100	300	600
Subtotal	<u>\$ 300</u>	<u>\$ 500</u>	<u>\$ 1,200</u>	<u>\$ 2,400</u>
Total	<u>\$ 7,300</u>	<u>\$ 12,500</u>	<u>\$ 31,200</u>	<u>\$ 62,400</u>
*Based on FY 2018 convictions.				

Sources

Department of Human Rights, Division of Criminal and Juvenile Justice Planning
LSA analysis and calculations

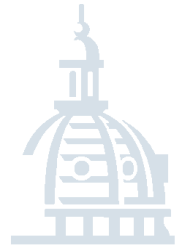
/s/ Holly M. Lyons

January 27, 2020

The fiscal note for this Bill was prepared pursuant to [Joint Rule 17](#) and the Iowa Code. Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.

Fiscal Note

Fiscal Services Division



HF 2005 – Fire, EMS, Reserve Officer Tax Credit Increase (LSB5050YH)
Staff Contact: Jeff Robinson (515.281.4614) jeff.robinson@legis.iowa.gov
Fiscal Note Version – New

Description

House File 2005 increases the Volunteer Fire Fighter and Volunteer Emergency Medical Services Personnel Member Credit and the Reserve Peace Officer Credit from \$100 to \$200. The change is effective beginning tax year 2020.

Background

The Volunteer Fire Fighter and Volunteer Emergency Medical Services Personnel Member Credit and the Reserve Peace Officer Credit are both part of Iowa Code section [422.12](#). Each credit has a maximum of \$100 per taxpayer per year. If a taxpayer is a qualified volunteer for more than one position, the tax credit may only be earned for one position. If the taxpayer is not a qualified volunteer for the full tax year, the \$100 credit is prorated. The credit is not refundable or transferable, and unused credits may not be carried forward to a future tax year.

The Iowa Department of Revenue [Contingent Liability Report](#) lists the total tax credit redemptions under the two tax credits as \$1.3 million per year. This equates to 13,000 to 14,000 taxpayers claiming the credits per year.

Assumptions

Since the \$100 income tax credit is not refundable, a small percentage of the claimants are not able to benefit from the full \$100 annual tax credit as they do not have \$100 in Iowa income tax liability for that tax year. Raising the annual tax credit to \$200 will increase the percentage of claimants who cannot fully benefit. Therefore, doubling the maximum credit will not result in a doubling of the \$1.3 million current annual tax reduction associated with the two tax credits.

As a nonrefundable tax credit, the State income tax reduction will also reduce the statewide amount of revenue raised through any local option income [surtax](#) equal to approximately 3.0% of the State income tax revenue reduction.

Fiscal Impact

Increasing the Volunteer Fire Fighter and Volunteer Emergency Medical Services Personnel Member Credit and the Reserve Peace Officer Credit from \$100 to \$200 is projected to reduce net General Fund revenue by \$1.2 million per fiscal year, beginning with FY 2021.

The tax credit increase will also reduce annual revenue raised by local option income surtaxes by approximately \$35,000 annually.

Source

Iowa Department of Revenue

/s/ Holly M. Lyons

January 24, 2020

Doc ID 1127481

The fiscal note for this Bill was prepared pursuant to [Joint Rule 17](#) and the Iowa Code. Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.

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